

Editorial

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The number of articles submitted to *Financial Markets and Portfolio Management* has increased substantially during in the last few years. So has the work involved in screening and processing the articles. I am therefore very pleased to announce that Markus Schmid of the University of Mannheim will support me as new co-editor. Markus has profound experience in the areas of asset management, alternative investments, corporate finance and governance. I am looking forward to working with him to provide our readers with relevant and timely research articles.

The first article of this issue, authored by Victoria Galsband, investigates the relationship between cash-flow risk and risk premia in a consumption-based asset pricing framework. She finds that macroeconomic cash-flow risk can account for differences in expected excess returns. Risk premia are found to be driven by cash-flow exposures to the variability of durable consumer goods.

The second article, written by Carlos Castro, investigates the relevance of industry and country effects in portfolio optimization. He compares the performance of large optimized portfolios to benchmarks in in- and out-of-sample tests and finds limited potential for exploiting heterogeneity across sectors or markets.

In the third article of this issue, Matthias Pfister and Rico von Wyss analyze delisting effects of secondary listings on prices and trading volumes. Looking at several international markets, they find moderate volume effects, but mostly insignificant and nonpermanent price effects.

In the fourth article of this issue, Aisyah Abdul Rahman investigates the bankruptcy risk of Islamic banks in Malaysia. The objective of this paper is to test for

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differences in the insolvency risk exposure of Islamic banks compared to banks in Western countries.

This issue's Perspectives article is written by Michael Bleaney and R. Todd Smith. They revisit the closed-end fund discount puzzle by including index funds in their analysis. They conclude that skill-based explanations cannot fully explain the closed-end fund discount.

The book review in this issue discusses the book "The Known, the Unknown, and the Unknowable in Financial Risk Management" by Francis X. Diebold, Neil A. Doherty, and Richard J. Herring. The reviewer is Tobias Nigbur.

Additionally, I would like to draw your attention to the annual conference by the Swiss Society of Financial Market Research. It takes place at SIX Swiss Exchange, Zurich, on April 8, 2011. A call for registration is included in this issue.

This issue completes Vol. 24 of FMPM. On this occasion, I would like to thank all the people that contributed to the successful production of the journal, namely the editorial board, the numerous external referees, the editorial office and the publisher, and our sponsors for their support this year. Special thanks go to our authors, to whom we are very grateful for contributing their research to the journal. Most of all, however, I would like to thank our valued subscribers and readers for their continued interest in FMPM. I wish you all a Merry Christmas and a Happy New Year!